

1  
2 BILL NO. S-77-03-24

3 SPECIAL ORDINANCE NO. S- 1144444444

4 AN ORDINANCE authorizing the  
5 agreement between the Urban  
6 Reinvestment Task Force and the  
7 City of Fort Wayne, Indiana  
8 and the approval of expenditure  
9 of \$30,000 to the Urban Rein-  
10 vestment Task Force for the  
11 development of the NHS program  
12 in Fort Wayne.

13 WHEREAS, the City of Fort Wayne has received certain  
14 Block Grant funds for community development purposes from  
15 the Department of Housing and Urban Development; and

16 WHEREAS, these funds must be used in part primarily  
17 for the prevention or elimination of blight; and

18 WHEREAS, there exists within the City of Fort Wayne  
19 areas of both existing and imminent blight or deterioration; and

20 WHEREAS, the City of Fort Wayne has developed a  
21 community development program which is concerned with the attack  
22 of neighborhood blight; and

23 WHEREAS, the Urban Reinvestment Task Force will  
24 develop a neighborhood preservation program in Fort Wayne  
25 "Neighborhood Housing Services", which is consistent with the  
26 City's overall strategy for preventing the further spread of  
27 blight and deterioration; and

28 WHEREAS, the City of Fort Wayne has Block Grant funds  
29 available for the cost of the Neighborhood Housing Services  
30 developmental process.

31 NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL  
32 OF THE CITY OF FORT WAYNE, INDIANA:

33 SECTION 1. That the Common Council hereby reaffirms  
34 its intent to eliminate blight with the City of Fort Wayne.

35 SECTION 2. That the Common Council endorses the  
Neighborhood Housing Services strategy and the "AGREEMENT  
BETWEEN THE URBAN REINVESTMENT TASK FORCE AND THE CITY OF  
FORT WAYNE, INDIANA."

APPROVED AS TO FORM  
AND LEGALITY.

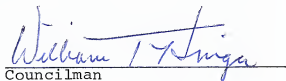
  
CITY ATTORNEY

1  
2  
3  
4 SECTION 3. That the Mayor of the City of Fort  
5 Wayne is hereby designated as the authorized representative  
6 of the City to act in connection with the heretofore mentioned  
7 "AGREEMENT".

8 SECTION 4. That the expenditures of \$30,000 from the  
9 Community Development Block Grant Funds be approved for the  
10 development of the Neighborhood Housing Services Program.

11 SECTION 5. That the attached "AGREEMENT BETWEEN  
12 THE URBAN REINVESTMENT TASK FORCE AND THE CITY OF FORT WAYNE,  
13 INDIANA" be approved and forwarded to the Urban Reinvestment  
14 Task Force.

15 SECTION 6. That this Ordinance be in full force  
16 and effect from and after its passage and approval by the  
17 Mayor.

18  
19   
20 Councilman  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

Read the first time in full and on motion by Henry, seconded by Salvino, and duly adopted, read the second time by title and referred to the Committee on Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on \_\_\_\_\_, the day of \_\_\_\_\_, 1976, at \_\_\_\_\_ o'clock P.M., E.S.T.

DATE: 3-22-77

Charles W. Hesterman  
CITY CLERK

Read the third time in full and on motion by \_\_\_\_\_, seconded by \_\_\_\_\_, and duly adopted, placed on its passage.

PASSED (LOST) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
<u>TOTAL VOTES</u>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<u>BURNS</u>	_____	_____	_____	_____	_____
<u>HINGA</u>	_____	_____	_____	_____	_____
<u>HUNTER</u>	_____	_____	_____	_____	_____
<u>MOSES</u>	_____	_____	_____	_____	_____
<u>NUCKOLS</u>	_____	_____	_____	_____	_____
<u>SCHMIDT, D.</u>	_____	_____	_____	_____	_____
<u>SCHIMDT, V.</u>	_____	_____	_____	_____	_____
<u>STIER</u>	_____	_____	_____	_____	_____
<u>TALARICO</u>	_____	_____	_____	_____	_____

DATE: \_\_\_\_\_

Charles W. Hesterman  
CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) (SPECIAL) (APPROPRIATION)

ORDINANCE (RESOLUTION) No. \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 1976.

ATTEST: (SEAL)

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the \_\_\_\_\_ day of \_\_\_\_\_, 1976, at the hour of \_\_\_\_\_ o'clock \_\_\_\_\_ M., E.S.T.

\_\_\_\_\_  
CITY CLERK

Approved and signed by me this \_\_\_\_\_ day of \_\_\_\_\_, 1976, at the hour of \_\_\_\_\_ o'clock \_\_\_\_\_ M., E.S.T.

\_\_\_\_\_  
MAYOR

Bill No. S-77-03-24

REPORT OF THE COMMITTEE ON FINANCE

We, your Committee on Finance to whom was referred an Ordinance  
authorizing the agreement between the Urban Reinvestment Task Force  
and the City of Fort Wayne, Indiana and the approval of expenditure of \$30,000  
to the Urban Reinvestment Task Force for the development of the NHS program  
in Fort Wayne

have had said Ordinance under consideration and beg leave to report back to the Common  
Council that said Ordinance Wither PASS.

WILLIAM T. HINGA - CHAIRMAN

JAMES S. STIER - VICE CHAIRMAN

VIVIAN G. SCHMIDT

PAUL M. BURNS

FREDRICK HUNTER

12-27-77 CONCURRED IN  
DATE CHARLES W. WESTERMAN, CITY CLERK

Bill No. S-77-03-24

*Filed*  
REPORT OF THE COMMITTEE ON FINANCE

We, your Committee on Finance to whom was referred an Ordinance

authorizing the agreement between the Urban Reinvestment Task Force

and the City of Fort Wayne, Indiana and the approval of expenditure of \$30,000

to the Urban Reinvestment Task Force for the development of the NHS program in

Fort Wayne

have had said Ordinance under consideration and beg leave to report back to the Common  
Council that said Ordinance Do PASS.

WILLIAM T. HINGA - CHAIRMAN

JAMES S. STIER - VICE CHAIRMAN

VIVIAN G. SCHMIDT

PAUL M. BURNS

FREDRICK HUNTER

*William T. Hinga*

*James S. Stier*

*Vivian G. Schmidt*

*Paul M. Burns*

*Fredrick Hunter*

AGREEMENT BETWEEN THE URBAN REINVESTMENT TASK FORCE AND THE  
CITY OF FORT WAYNE, INDIANA

- I. The Urban Reinvestment Task Force ("Task Force") will undertake to develop a Neighborhood Housing Services program in the City of Fort Wayne, Indiana, commencing February 1, 1977 subject to the considerations and conditions outlined.
  - A. A Neighborhood Housing Services (NHS) includes the development of a working relationship between residents of a specific neighborhood and a group of financial institutions in cooperation with city government. It involves the creation of a Revolving Loan Fund which would be controlled by the NHS. The NHS would assist residents of the neighborhood to improve their homes and bring them at least to minimum code standards, by providing counseling, assistance in dealing with contractors, referrals to private financial institutions, and in cases where the homeowners are unable to meet commercial credit standards, by providing direct loans at flexible rates and terms.
  - B. In cooperation with the District Federal Home Loan Bank, the District Federal Reserve Bank, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and State bank and savings and loan supervisors, as appropriate, the Task Force will convene financial institutions, and obtain their interest in the program. One or more meetings of industry leaders called by the regulatory agency heads should take place before the actual Workshop program begins. The Workshop program is part of the process utilized by the Task Force in the development of an NHS.

C. City representatives shall work closely with the developmental program and participate in decisions on reinvesting in the selected neighborhood.

1. The Task Force staff will maintain liaison with the city during the developmental program. Appropriate city staff members shall be invited to participate in the workshop activities which are part of the developmental process.
2. During the developmental program expressions of neighborhood desires in regard to services and public improvements will be obtained. Once the NHS has been established, the NHS Board of Directors shall be consulted by the City concerning the need for services and public improvements. Agreements shall be reached during and after the developmental program on attainable goals and timetables of improvements.
3. Where city services are in need of improvement, and where public improvements and amenities are in disrepair or lacking, the city will improve or provide them within a reasonable period of time. In order to accomplish this, the City hereby agrees to provide approximately \$100,000 in public improvements in the NHS neighborhood during the first year of NHS operation. The amount allocated for subsequent years shall be determined at a later date.
4. When the NHS program becomes operational, the City shall grant to the High Risk Revolving Loan Fund of the NHS program, the sum of \$75,000 per year

for a period of at least three consecutive years.

NOTE: All of the funding commitments made by the City of Fort Wayne under Sections 3 and 4 above, are contingent upon continued Federal funding to the City under the Housing and Community Development Act of 1974.

- D. Adverse factors could arise which would make the development of a Neighborhood Housing Service program impossible. These include the inability to retain the cooperation of a sufficiently large number of financial institutions to support the program, determination that there were not sufficient public or philanthropic resources to develop adequate revolving loan funds, or the development of neighborhood antagonism to the program or political opposition to it. In the event such conditions arose and could not be overcome, the Task Force would inform the City of Fort Wayne, Indiana, and return unused portion of budgetary support which has been provided for the developmental program.

## II. Developmental Process

Bringing a viable NHS into operation envisages an effort lasting about eight to ten months, during which a careful process will take place which has been developed over the past three years of successful implementation of Neighborhood Housing Services programs in thirty cities.

Neighborhood Housing Services represents a sophisticated blend of private-public-community involvement, and must be constructed with the greatest care. The first months are spent in developing working relationships with local govern-



ment, community and financial industry representatives, and selecting a local staff person with the skills and knowledge about the local scene needed to work out cooperative relationships, under the supervision of the Task Force's Field Representative. The Task Force Staff Director and other senior Field staff may also participate at key points in the developmental process.

When the necessary relationships have been developed, a 18 week workshop process is commenced wherein the concept is introduced to a group of approximately 45-60 persons (about one-third each from financial institutions, the community at large, and local government and regulatory bodies). These individuals adapt the NHS model to local institutions and situations and form a committee structure which works out the details of incorporation, funding, neighborhood priorities, etc.

The workshops involve a three-day session, followed by six weeks committee work, then a one-day session, another six weeks committee work, a 1½-day session with six more weeks committee work, and concludes with a one-day session which includes the incorporation meeting of the new NHS. During this workshop structure, residents of the neighborhood(s) chosen for the program are brought into the process, fully informed and involved in creating the non-profit organization which results.

After incorporation, the new institution is aided in obtaining its non-profit tax status, in obtaining foundation support and in selecting and training permanent staff. The local Task Force staff member then works for a short period with the newly hired NHS staff in setting up work procedures.

When the program has become fully operational, an informational seminar is arranged for lending officers and appraisers of all participating financial institutions, fee appraisers, representatives of private mortgage insurance companies, and regulatory agencies' examiners. Direct Task Force support phases out at this point, except for liaison and informational assistance and the NHS becomes an independent private entity.

III. In order to develop the NHS, financial support of \$30,000 will be required for the developmental program. After becoming operational, NHS operating expenses will approximate \$60,000 per year, per neighborhood, on an ongoing basis, and a High Risk Revolving Loan Fund must be built up to a total of \$300,000 or more over a two or three year period, per neighborhood.

The Urban Reinvestment Task Force will, as part of the developmental process, endeavor to obtain private sector support for the operating budget.

#### A. Developmental Cost

The following breakdown shows the elements involved in the developmental cost of \$30,000; however, the \$30,000 is presented as a lump-sum expense to permit flexible budgeting among expense categories to meet unforeseen contingencies in the developmental process.

Local Staff (Full-time, approximately 8 months)	\$10,000
Travel and training for local staff	3,000
Fringe costs (FICA, vacation, life and health insurance, local staff)	2,000
Workshop Expenses	
Lodging, meals, meetings	6,000
Speakers, resource persons	2,000
Participant's travel	4,000
Follow-up Seminars for Lending Officers, appraisers and private mortgage insurance representatives	1,000
Miscellaneous	
Materials, postage, printing, telephone contingencies	2,000
TOTAL	<u>\$30,000</u>

Any unexpended balance of development funds will be made available to the Neighborhood Housing Services corporation.

- IV. Budgetary support for the developmental program should be paid upon execution of this agreement to the Urban Reinvestment Task Force whose Fiscal Agent will act as the program controller, and disburse and account for funds. Any checks issued for the program must be made payable to "Office of Neighborhood Reinvestment" and forward c/o

Constantine Giviskos  
Finance Officer  
Urban Reinvestment Task Force  
1120 19th Street, N.W.  
Washington, D.C. 20036

- V. Upon successful development of the Neighborhood Housing Services corporations:

- A. The Urban Reinvestment Task Force shall grant \$70,000

to the NHS High Risk Revolving Loan Fund,

- B. The City shall grant \$75,000 per year for three consecutive years to the NHS in support of the High Risk Revolving Loan Fund.

Pursuant to fulfilling the terms of this written agreement, the City of Fort Wayne, Indiana, concurs with the conditions herein and further agrees to provide the developmental funds of \$30,000 upon execution of this agreement.

VI. Legal Liability of the Office of Neighborhood Reinvestment

The Urban Reinvestment Task Force is a joint effort of the Secretary of Housing and Urban Development, the Acting Chairman of the Federal Home Loan Bank Board, a member of the Board of Governors of the Federal Reserve System, and the Comptroller of the Currency. The Task Force provides policy guidance for the work of its staff, but does not act as a contracting party. The Office of Neighborhood Reinvestment of the Federal Home Loan Banks has assigned members of its staff to work as the staff of the Task Force; the Office of Neighborhood Reinvestment assumes all obligations and all rights attributed to it or to the Task Force under the terms of this agreement.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed as of the date first above written.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_.

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

Urban Reinvestment Task Force:

Date: \_\_\_\_\_

William A. Whiteside, Director  
Officer of Neighborhood Reinvestment  
Federal Home Loan Banks

The Federal Home Loan Bank of Indianapolis agrees to cooperate with the Urban Reinvestment Task Force and the City of Fort Wayne, Indiana in carrying out the development of the Neighborhood Housing Services Corporation in the City of Fort Wayne, Indiana, as set forth above.

Date: \_\_\_\_\_

Federal Home Loan Bank of Indianapolis

## DIGEST SHEET

RESOLUTION Authorizing the Agreement Between the Urban Reinvestment  
TITLE OF ~~ORDINANCE~~ Task Force and the City of Fort Wayne, Indiana and the  
expenditure of \$30,000 to develop the NHS Program.

DEPARTMENT REQUESTING ORDINANCE Community Development & Planning

SYNOPSIS OF ORDINANCE Will authorize Mayor to enter into agreement  
with Urban Reinvestment Task Force to develop Neighborhood Housing  
Services Program in a residential neighborhood in Fort Wayne, Indiana.

It will also approve expenditure of \$30,000 of Block Grant funds to  
develop this program.

EFFECT OF PASSAGE NHS Program will be developed in Fort Wayne. City will  
enter into attached agreement. City will receive \$70,000 from Task Force;  
City will spend \$30,000 to develop program.

EFFECT OF NON-PASSAGE Program will not be developed.

MONEY INVOLVED (Direct Costs, Expenditures, Savings) City will immediately transfer  
\$30,000 to Urban Reinvestment Task Force. City will receive \$70,000  
from Task Force for rehab program. City makes commitment to improve  
services in neighborhood over a period of time.

ASSIGNED TO COMMITTEE (J.N.) Shugart